DIVISIONAL FOREST OFFICE
Inwd. Regr. No. 20
Date 22/4/99
WORKING PLANS PARTY

No 83.

DIVISIONAL FOREST OFFICE
SOUTHERN CIRCLE
WORKING PLANS PARTY

SALT.

I.—Reports and Returns.

1. The annual Administration Report of the Salt and Continental Customs Department of the Bombay Presidency should be submitted to Government by the end of August, so that both report and the review thereof may reach the Government of India before 1st October. (G. Rs. Nos. 5100, dated 2nd August 1882, and 169, dated 9th January 1885.)

2. The Commissioner in Sind should forward the annual Administration Report of the Salt Department in Sind in print by the 1st September of each year at the latest to enable Government to transmit it to the Government of India, within six months of the close of the year to which it relates. Instructions regarding the number of copies of the report required by Government should be obtained annually from the Secretariat by the Superintendent of the Commissioner's Printing Press. (G. R. No. 178, dated 12th January 1886.)

3. It would be advantageous if in the annual reports on the administration of the Salt and Continental Customs Department an attempt were made to estimate the actual consumption of salt in each district and province, or at least to show the quantities of salt consumed within the Presidency and exported beyond its frontiers. It is, for obvious reasons, of great importance to know whether the average consumption of salt in each locality is increasing or declining, and to what extent, and it is believed that the information contained in port returns, in the inter-station traffic returns of railways, and in the permits issued at the salt works, can, if properly collected, supply sufficiently accurate data for such an estimate. (S. of S. No. 5, dated 29th January 1880; *vide* G. R. No. 1169, dated 4th March 1880.)

4. The chief causes to which any marked variations in the wholesale price of salt at the different works may be due should be noticed in the annual administration report of the Salt Department.

It would be advisable to have a statement showing for the chief district trade centres in this Presidency the average local wholesale price of salt. This would be a useful index to the extent to which the measures adopted for preventing the making of earth-salt have succeeded, and would help to show in what districts increased vigilance is necessary. If this information were obtained, it would be possible to prepare a return showing, for the different districts, how much of the local wholesale price of salt is due to the cost of manufacture, to the incidence of the salt-tax, and to carriage. Such a return would, in time, as the causes of special fluctuation such as those connected with the salt arrangements with Native and Foreign States ceased to operate, furnish valuable materials on which to base a judgment as to the effect that changes in the price of salt have on the quantity consumed.

Information as regards the disposal of salt from Uran, Bassein, Ghodbandar, Mátunga, Sánkse,

Trombay and Panvel, similar to that supplied for the Khárághoda traffic in the report on the administration of the Salt and Continental Customs Department for 1879-80, should, if it can be supplied, find a place in future administration reports. (G. R. No. 6110, dated 18th November 1880.)

5. The Collector of Salt Revenue, Bombay, and the Collector of Salt Revenue in Sind should telegraph to the Commissioner of Northern India Salt Revenue periodically the total quantity of salt of every description on which duty has been paid and the amount of duty realized thereon from the commencement of the financial year up to the 7th, 15th, 22nd and 30th or 31st of each month, distinguishing home-made and imported salt.

The periodical telegram should be despatched in time to admit of its being delivered at Agra not later than the tenth day after the expiration of the period to which it relates, *e.g.*, the telegram supplying figures from 1st April to 7th June should reach Agra not later than the 17th, that for 1st April to 15th June not later than the 25th June, and so on. (G. I., F. & C., No. 1809, dated 20th June 1882; *vide* G. R. No. 4375, dated 8th July 1882.)

6. The Commissioner in Sind and the Commissioner of Customs, Salt, Opium and Abkári should arrange for the transmission to the Government of India of the monthly statements of salt revenue for their respective charges so as to reach that Government by or before the end of the fortnight succeeding the month to which the statements relate. (G. I., F. & C., Nos. 3271, dated 28th September 1881, and 303 S., dated 21st November 1888; *vide* G. R. No. 5948, dated 10th October 1881, and G. M. No. 8081, dated 4th December 1888.)

7. In the monthly returns the duty on salt imported by sea or land should be included, but not collections on account of ground-rent and other miscellaneous items of salt revenue, such as the sale-proceeds of the right of the occupancy for stated periods of Government salt works, cess levied on account of the proprietary right of Government in certain salt works, &c. The whole revenue from duties may be included in a lump sum in the returns with marginal remarks showing the separate items of which it is composed. When the duty entered in the returns does not correspond with the amounts obtained by multiplying the quantities on which duty was collected by the rates per maund locally current, notes should be given explaining the causes of the differences. (G. I., R., A. & C., Nos. 157, dated 10th May 1875, and 48, dated 25th January 1877; *vide* G. Rs. Nos. 2909, dated 21st May 1875, and 713, dated 3rd February 1877.)

8. The Government of India obtains through other channels the outcome of the treasury figures as regards the receipts and expenditure of the Salt Department, but what it wants from the Collector of Salt Revenue, in connection with the monthly

returns of salt revenue, for its Statistical Branch is a statement of the quantities of salt removed from the salt works and imported and the duty realized thereon at the rate current in the province. When, therefore, the quantities of salt taxed or sold have been ascertained (a matter in which the Collector is in no way dependent upon the treasuries), all that seems to be needful is to calculate the revenue on these quantities at the current rate of duty per maund. (G. I., F. & C., No. 255 C, dated 16th November 1881; *vide* G. R. No. 7100, dated 25th idem.)

9. The Commissioner of Customs, Salt, Opium and Abkári and the Commissioner in Sind should submit detailed comparative statements of salt revenue for the Bombay Presidency and the Province of Sind annually along with their salt revenue returns for the month of March or as soon as possible after the expiration of the year. (G. I., R., A. & C., No. 261, dated 28th June 1879, and G. I., F. & C., No. 168 C, dated 21st June 1880; *vide* G. Rs. Nos. 3575, dated 8th July 1879, and 3385, dated 30th June 1880.)

10. The Commissioner in Sind and the Commissioner of Customs, Salt, Opium and Abkári should submit annually statements showing the quantity and value of salt produced in their respective charges during the calendar year, salt made by Government being distinguished from salt made otherwise than by Government. The value of salt made by Government should be the fixed selling price at the place of manufacture or production, and in the case of other salt the wholesale market price, excluding duty, at the place of manufacture. The returns should be supplied so as to reach this Government not later than 1st February and the Government of India by 1st March. (G. I., F. & C., Nos. 4002, dated 23rd July 1888, and 274 S, dated 1st November 1890; *vide* G. Rs. Nos. 5301, dated 6th August 1888, and 8161, dated 18th November 1890.)

11. The Librarian at the Brunner Library, Northwich, in Cheshire, should be regularly supplied with a copy of the annual report on the administration of the Salt Department and of any reports of officers or committees giving details of the salt system. (G. I., F. & C., No. 1586, dated 28th March 1887; *vide* G. R. No. 3140, dated 20th May 1887; also G. R. No. 33, dated 4th January 1887.)

II.—POWERS OF OFFICERS.

1. In exercise of the power conferred by Section 4 of the Bombay Salt Act, 1890, His Excellency the Governor in Council is pleased to appoint the Political Resident at Aden to be Commissioner of Salt Revenue, and the Assistant Political Resident for the time being in charge of the local Salt Department to be Collector of Salt Revenue for the Settlement of Aden and its dependencies. (G. N. No. 1721, dated 6th March 1891.)

2. In exercise of the power conferred by Section 4 of the Bombay Salt Act, 1890,* His Excellency the Governor in Council is pleased to appoint the Commissioner in Sind to be *ex-officio* Commissioner of Salt Revenue, and the Collector† and Assistant Collector of Customs for the time being to be respectively *ex-officio* Collector and Assistant Collector of Salt Revenue for the Province of Sind. (G. N. No. 2097, dated 23rd March 1891.)

3. In exercise of the power conferred by subsection 2 of Section 10 of the Bombay Salt Act, 1890, His Excellency the Governor in Council is pleased to delegate the power vested in him by subsection 1 of the said section to the Commissioner‡ of Customs, Salt, Opium and Abkári. (G. N. No. 1297, dated 18th February 1891.)

4. In exercise of the power conferred by subsection 2 of Section 10 of the Bombay Salt Act, 1890, His Excellency the Governor in Council is pleased to delegate the power vested in him by subsection 1 of the said section to the Commissioner of Salt Revenue for the Settlement of Aden. (G. N. No. 1721A, dated 6th March 1891.)

5. The Deputy Commissioner of Customs, Southern Division, is authorized to admit charges to the extent noted in the margin provided no charge is incurred for which no budget provision or sanction exists. (G. R. No. 4683, dated 14th December 1866.§)

1. Contingent charges to the extent of Rs. 100 in each case.
2. To sanction boat repairs to the extent of Rs. 150 in each case.

6. All officers of the Salt Department, not lower in rank than a Coast Guard Inspector or an officer in charge of a Customs House, are empowered to act under Section 4 of the Transport of Salt Act, XVI of 1879. (G. R. No. 5956, dated 7th November 1879.)

7. The practice regarding enquiring into and determining the confiscation of articles liable to be

---

* This Act came into force in Sind on 2nd October 1890. (G. N. No. 6673A, dated 20th September 1890.)

† By Government Resolution No. 2097, dated 23rd March 1891, the designation of the Collector of Customs and Assistant Commissioner of Salt Revenue in Sind was altered to Collector of Customs and Salt Revenue in Sind.

‡ By Government Notification No. 6304, dated 13th September 1882, the designation of Commissioner of Customs, Opium and Abkári and Reporter General of External Commerce was altered to Commissioner of Customs, Salt, Opium and Abkári and Reporter General of External Commerce.

§ By this Resolution similar powers were granted to the Deputy Commissioners of Customs, Northern and Presidency Divisions, also, but these offices have since been abolished. The Deputy Commissioner, S. D., is now styled Deputy Collector of Salt Revenue, S. D., and he has continued to exercise under that name the powers entrusted to the Deputy Commissioner, S. D., by the Resolution. (Letter from the Commissioner of Customs, Salt, Opium and Abkári, No. 6012, dated 18th September 1888.)

confiscated under Section 48* of Act VII of 1873 should be uniform in all districts, and the decision of such cases should rest with the Collector of Salt Revenue. (G. R. No. 4389, dated 8th July 1882.)

8. His Excellency the Governor in Council is pleased to appoint the Collector of Customs, Bombay, the Collector of Salt Revenue, Bombay, and the Collector of Customs, Karáchi, within the local limits of their respective charges, to adjudge confiscations under Section 6 of the Transport of Salt Act, 1879. (G. N. No. 5408, dated 28th July 1886.)

9. The Collector of Salt Revenue should submit the return prescribed in Government Resolution, Financial Department, No. 1906, dated 21st July 1887, of stores in charge of the Salt Department in the Presidency Proper to the Commissioner of Customs, Salt, Opium and Abkári for scrutiny. Government have no objection to the former officer exercising the power vested in District Collectors of writing off the return articles the cost of which does not exceed Rs. 100. (G. R. No. 1045, dated 15th February 1888.)

10. The Collector of Salt Revenue, Bombay, is authorized to sanction refunds of excess payments made by traders in salt on account of duty on salt removed from the salt works in the neighbourhood of Bombay. (G. R. No. 1300, dated 24th February 1888.)

11. Leases of land let for manufacture of salt should be executed by the Collector of Salt Revenue. (G. R. No. 4328, dated 30th June 1888.)

12. The Collector of Salt Revenue, Bombay, is authorized to sign all credit bonds for the removal of salt executed by salt merchants in the Bombay Presidency. No extension of the prescribed period of credit should be allowed in any case without the sanction of the Commissioner of Customs, Salt, Opium and Abkári. (G. R. No. 3593, dated 26th May 1891.)

13. As rewards in salt cases are countersigned contingencies, and the Commissioner is the controlling officer for the Salt Department in Sind, he has power to transfer a portion of the grant of one office to that of another. (G. R. No. 9069, dated 11th December 1893.)

III.—ESTABLISHMENTS.†

1. It is sufficient to report to the Government of India changes made in the petty establishment of the Salt Department in quarterly statements. (G. I., F. & C., No. 5767, dated 31st October 1887; *vide* G. R. No. 7860, dated 17th November 1887.)

---

* Cf. Sections 50 and 52 (1) of Act II of 1890.

† *Vide* also orders No. 4 to 7, sub-head VI.

2. The Bombay Salt and Customs Department is authorized to entertain temporary kárkúns as weigh-clerks on salaries not exceeding Rs. 30 a month in exceptional cases for short periods to meet press of business. (G. I., F. & C., No. 4613 Ex., dated 21st October 1893; *vide* G. R. No. 8141, dated 6th November 1893.)

3. The Collector of Salt Revenue is authorized, subject to the approval of the Commissioner of Customs, Salt, Opium and Abkári, and so long as the total strength and cost are unaffected, to vary the distribution of the establishments under him to suit the pressure of work. (G. R. No. 9169, dated 14th December 1893*).

4. The pay of all employés in the Salt Department is personal. (G. R. No. 9169, dated 14th December 1893.)

5. Section 8 of Bombay Act II of 1890 and Chapter III of the Bombay Land Revenue Code, 1879, can only legally operate in respect of security bonds taken subsequently to the date on which Bombay Act II of 1890 came into force.

The provisions of Chapter III of the Land Revenue Code applicable to principals apply to employés in the Salt Department, by virtue of Section 8 of Bombay Act II of 1890, whether their security bonds may have been executed before or after the passing of the latter Act. (L. R. No. 1335, dated 10th August 1891; *vide* G. R. No. 3645, dated 25th April 1892.)

6. The practice† existing in the Salt Department regarding the taking of securities from the officers of

---

* *Vide* also G. R. No. 890, dated 2nd February 1895.

† "The practice was originally based on a circular, No. 61 of 1851,...which was based on the provisions of Acts XVIII of 1838 and XII of 1850 and directed that security was only to be taken from Sar-kárkúns, Dároghas, Aval-kárkúns, Shroffs, Bandar-kárkúns, Sazedárs and other officers entrusted with the collection of revenue.

"About 1863 an order seems to have been given that no Kárkúns who had not given security were to be employed upon weighments. In 1877, Nákedárs were required to find security. Holders of the appointments of weigh-clerks and Preventive officers which were created at the revision in 1884 have also been required to furnish security, and the general result is that there is scarcely an officer in the Department, except some of the members of Huzúr Establishments and the Coast Guard Inspectors, who is not or at least ought not, according to the practice, to be required to furnish security." (Extract paras. 2 and 3 of letter No. 4630, dated 15th October 1886, from the Collector of Salt Revenue, Bombay.)

"The existing practice is so fully described in Mr. Trevor's No. 4630, dated 15th October 1886, that I need only briefly state that every officer of the Department in superior service from Sar-kárkún downwards furnishes security varying from Rs. 50 to Rs. 2,000. To this general statement there are a few exceptions, the most noteworthy being the Coast Guard and the Northern Frontier Inspectors and the Preventive Establishments in Goa and Gujarát. Two appointments are treated exceptionally, the security demanded being in each case Rs. 5,000. The one is the Cashier in the Chief Account Office and the other is the Sar-kárkún of Goa,* who is in charge of a treasury where the balance is always large and sometimes is as much as a lákh of rupees." (Extract para. 2 of letter No. 342, dated 23rd January 1891, from the Collector of Salt Revenue, Bombay.)

* This Sar-kárkúnship has been abolished on the termination of the Anglo-Portuguese Treaty.

that Department, suits the peculiar circumstances and duties of the Department, and should be continued. (G. R. No. 3645, dated 25th April 1892.)

7. Under Clause ii of Article 1092 of the Civil Service Regulations, Second Edition, one-third is fixed as the deduction to be made from the travelling allowances ordinarily admissible to Coast Guard Inspectors of the Salt Department as the fixed hire or charge for the boats and crews with which they are provided. (G. R. No. 7937, dated 7th October 1892.)

IV.—GENERAL PRINCIPLES.

1. If, in any particular, it can be shown that the importers of English salt are placed at a disadvantage as compared with the producers of native salt—whether the Government, as in Bengal, or private manufacturers, as in Bombay—measures should be at once adopted to put them on a perfect equality. (S. of S. No. 16, dated 16th December 1859; *vide* G. Ms. Nos. 582 and 583, dated 13th February 1860.)

2. The true principle which should regulate the administration of Government salt works is to allow the free purchase of salt by whoever chooses to pay the price and duty, leaving its subsequent disposal to be regulated by the demands of the trade. The policy should everywhere be to ensure, subject only to the condition of the security of the revenue, the freest and fairest competition between different kinds of salt, whether the produce of Government or of private works, and whether paying duty to the credit of one or of another Department. This principle is evidently most advantageous to the public as ensuring the largest possible supply at the lowest price, and it is equally advantageous to the revenue which benefits by the largest possible consumption. (S. of S. No. 85, dated 13th October 1881; *vide* G. R. No. 7163, dated 28th November 1881.)

3. The obvious meaning of the Secretary of State's Despatch No. 85, dated 13th October 1881, is that Government should strive to produce at its salt works the quantity of salt demanded there by the trade, but that its subsequent distribution should be left to the ordinary channels of trade. Exceptional arrangements can be permitted only where exceptional circumstances sufficiently justify interference on the part of Government. (G. I., F. & C., Nos. 2183, dated 27th July 1886, and 17, dated 7th January 1887; *vide* G. Rs. Nos. 5879, dated 17th August 1886, and 923, dated 9th February 1887.)

4. The following principles should regulate the sale of salt on behalf of Government:—

As a rule, Government should content itself with the levy of the duty and price at the sources of supply, and leave the subsequent disposal of the salt to the natural course of trade. The intervention of Government becomes necessary when from any measures taken by it (as in the case of Gujarát and Rájputána) there is a scarcity of salt and a conse-

quent rise in price in any particular area, or when owing to a combination of traders, prices are maintained at an unreasonably high level. Such intervention should, however, be reduced to a minimum, and be so applied as not to exclude or discourage private enterprise in the same direction, and it should cease as soon as the necessity has passed away. No measures should be adopted in order to attract business to any particular salt work or depôt which may have the effect of preventing the trade from supplying itself by the cheapest means. (G. I., F. & C., No. 2183, dated 27th July 1886; *vide* G. R. No. 5879, dated 17th August 1886.)

V.—SELLING PRICE OF SALT.

1. Owing to the differences of system which of necessity prevail in different parts of India, it is impracticable to fix a uniform price at which salt should be sold at all Government works throughout India. In order, however, to ensure that the price, in such instances as it lies in the power of Government to fix it, is calculated upon sound principles and not in such a manner as to compete at an unfair advantage with salt supplied to the market by private enterprise, the issue of definite instructions appears to be required.

The systems under which the Government connection with the salt trade is carried into effect are three :—

(1) Charging a customs duty on all salt imported into British India.

(2) Charging an excise duty on all salt manufactured in British India by private persons on their own account.

(3) Manufacturing salt by Government on its own account, either by hired or contract labour, and selling it at a price sufficient to cover the cost of so doing, together with a fixed duty equal to the customs or excise duty.

Under the first two systems Government confines itself to taxation; under the third it undertakes the functions of a private manufacturer in addition. In former days the Government was not only a manufacturer but an absolute monopolist; but in 1836 it so far abandoned this position, on the recommendation of a Committee of the House of Commons, as to throw open the salt import trade to private enterprise, retaining a monopoly of local manufacture only. From that date onwards, it has been gradually relinquishing direct manufacture in all cases where the necessary supply of salt to the public could be ensured under either the customs duty or the excise duty systems.

The three systems at present prevail in the localities described below :—

(*a*) *Customs duty.*—Bengal (including Behar), Assam and British Burma.

(*b*) *Excise duty.*—Western India, from the Tápti river south to Cape Comorin, Berár, and the south-west portion of the Central Provinces; also a few spots in Bengal and Orissa, and to a limited extent in Burma.

(*c*) *Manufacture and monopoly.*—The east coast of the Madras Presidency, the rest of the Central Provinces, Bombay north of the Tápti, Sind, the Punjáb, the North-Western Provinces and Oudh, Rájputána and Central India.

This classification is, of course, in very general terms; the different salts compete with each other on the boundaries, and interlace in their areas according to local taste and preference and not price alone; but it may be considered substantially correct.

The charges of all kinds which fall on Government from its connection with salt may be described and classified as follows:—

1.	Cost of administration;	Charges common to all systems and arising out of the Government taxation of salt.
2.	„ collection.	
3.	„ preventive establishments.	
4.	„ production.*	These charges appertain to all systems under which Government either produces salt by hired labour, or buys the salt from the actual producer for resale to the public.
5.	„ conveyance to store-house.	
6.	„ storage.	
7.	„ wastage.	
8.	„ interest on capital, fixed or floating.	
9.	Treaty payments.	These appertain to the same systems as the preceding. Treaty payments are not always of the same nature; in some instances they correspond with rent which might be paid by a private manufacturer for mines or salt works; in others they are payments to secure the suppression of manufacture in Foreign States, or the right to charge duty on salt consumed in such States.
10.	Rent of salt sources.	
11.	Cost of supervision of production.	Found only when Government produces the salt by hired labour.
12.	Commission to agents and contractors on sales.	An exceptional charge, sometimes indispensable.

It will be observed that cost of conveyance from store-house to market is not mentioned, because it is outside the purposes of these calculations, and necessarily falls on the consumer in proportion to his distance from the salt source from which he draws his supplies. In some cases, moreover, where the depôts are at a distance from the market, the cost of conveyance to them may be advanced by Government, and recovered in ordinary course.

* This may be defined as "the mere making of the salt, *i. e.*, the total cost up to the time when so much salt is laid down in a marketable condition at the very spot where it was made."

On a scrutiny of the charges enumerated in the preceding paragraph, it will be seen that the first three only, *viz.* administration, collection and prevention, are incidental to the interference of Government, for taxation purposes, in the matter of salt. The remainder are all borne alike by Government and private individuals whenever either of them undertakes the trade of producing and selling salt. From this and economic principles which are so evident that it seems superfluous to set them forth it follows that whenever Government and the private trader meet, they do not do so on fair terms, and the latter is unjustly weighted, unless the former scrupulously includes in its selling price (exclusive of duty) whatever items the latter has ordinarily to bear. To be more specific, the first three items of charge just mentioned should be paid out of the receipts for duty, the rate being fixed accordingly, if necessary; the remainder should all come into the calculation of the selling price, with the exception of such treaty payments as are made for the prevention of smuggling, or in order to secure for the British Government the right of charging duty on salt consumed in Foreign States. If the selling price is less than it should be, in order to cover all the proper items, a particular locality benefits at the expense of the general tax-payer; if the reverse, the Government is really levying more than the tax allowed by law, excepting of course in the case of salts which, from superior quality and limitation of supply, have an adventitious market value not dependent upon the cost of production. The price may also, in special cases, be affected by the place in which the salt is sold, the quantity included in any transaction, the sum paid by the Government for its purchase, or other peculiar circumstances affecting the sale.

To apply the test of these principles to every salt work or group of works with which Government is more or less connected, would in this place be a tedious and unnecessary task. It is sufficient to state that a very careful review of the Indian salt system which has been made shows that in Bengal, Bombay, Sind and the Punjáb mines, Government makes no attempt to impose any charge on salt other than the fixed duty, and, in any case where Government holds a monopoly of salt, a selling price which is calculated to cover the cost of manufacture.

His Excellency the Governor General in Council has considered it to be necessary, in view of the discussions which have arisen, and the uncertainty which has prevailed, to lay down the principles upon which the selling price of salt should be regulated in all parts of British India in which it is fixed by the Government. It will rest with the Local Governments and the Commissioner of the Inland Customs, within their respective jurisdictions, to scrutinise periodically the price from time to time in force, and to take into consideration such adjustments as an increase of sales, or of expenditure, or

otherwise, may be found to demand. (G. I., F. & C., No. 326, dated 17th January 1882; *vide* G. R. No. 743, dated 2nd February 1882.)

2. The entire cost of the salt manufacture' storage and establishments as well as the expenditure incurred by Government on account of its transport to depôts should be recovered from the sums realized from the sale of the salt apart from and in excess of the duty charged thereon. (G. I., R. A. & C., No. 291, dated 13th September 1878; *vide* G. R. No. 4937, dated 26th idem.)

3. The charges of which the Government of India has ordered the recovery from the sale-proceeds of salt are those incurred for the manufacture and sale of salt and not the cost of establishments maintained to collect and protect the public revenue. The charges for guarding the works, for office establishments, for watching the frontiers and natural deposits, and for preventing smuggling are not to be taken into account. For all other charges connected with the production and sale of the salt, an additional sum should be added to the price charged at the pans. To this a further addition for storage and freight will of course be made when the salt is transported for sale. An account of the whole of the charges debitable against this addition to the selling price and the amount realized by it should be carefully kept and submitted with the yearly report on salt administration. (G. R. No. 2277, dated 29th April 1879.)

4. In exercise of the powers conferred by Section 8 of the Indian Salt Act, 1882, and in accordance with special orders made by the Governor General in Council in that behalf, the Governor in Council is pleased to fix the minimum price at which salt sold by or on behalf of Government at the Settlement of Aden shall, on and after the 1st day of April 1891, be sold at the following rate, namely, at 7 pies per 28 lbs. avoirdupois. (G. N. No. 2096, dated 23rd March 1891.)

VI.—MANUFACTURE OF SALT, AND LICENSEES.

1. The disposal of applications for permission to open new salt works shall, subject to the control vested in the Governor in Council and in the Commissioner by Bombay Acts* VII of 1873 and V of 1832, be regulated by the following rules:— *Repealed Act II of 18

1. All applications for permission to manufacture salt are to be made to the Collector of Salt Revenue.

2. On receipt of any such applications the Collector of Salt Revenue shall in the first place make such enquiry as may be necessary to determine whether manufacture should be allowed or not in the locality referred to in the application. If it shall appear to him that manufacture may be allowed, and if the land be unoccupied, he shall report the result of his enquiry, with his own opinion and the grounds thereof, to the Commis-

sioner of Salt Revenue, and shall, if the Commissioner so directs, apply to the Collector of Land Revenue to have the land placed at his disposal for salt manufacture in accordance with Rule 7 (*b*) of the rules under the Bombay Land Revenue Code.

3. If the Collector of Land Revenue agrees to the appropriation of the land for salt manufacture, the Collector of Salt Revenue shall thereupon have the land surveyed and cause a scheme to be prepared for its conversion into one or more salt works, on such plan and of such dimensions as he may consider most advantageous.

4. The scheme shall embody a plan showing the position, shape and dimensions of the work or works to be constructed, and of pans, reservoirs, banks, storage platforms, channels, paths, &c., the routes by which only the salt is to be removed, the number and description of chaukis and other buildings to be provided by the manufacturer, the contribution to be paid towards cost of additional establishment, the rate of ground-rent to be levied, and all other particulars and conditions which the circumstances of the case may demand or which may from time to time be prescribed.

5. (1) The Collector shall submit the scheme and plan so prepared to the Commissioner.

(2) On receiving from or through the Commissioner instructions as to the scheme and plan finally approved, the Collector of Salt Revenue may proceed to dispose of the right to construct the salt works and to manufacture salt in accordance with it either to the original applicant, if there be no others, or by inviting tenders, or by auction; or, if there be insufficient competition, may lease the ground for a suitable term of years, on condition that the work constructed thereupon shall revert to Government on the expiry of the lease.

(3) In the event of the Collector desiring to substitute a lease for a term of years instead of putting up to auction the right to manufacture, &c., he shall, before passing orders, submit the matter to the Commissioner, and act in accordance with his directions.

6. The person whose application, tender or bid is accepted, or to whom the ground may be leased, shall be required to conform strictly to the scheme, any departure from which, except with the permission of the Collector in writing under sanction previously obtained from the Commissioner, will entail forfeiture of the permission to manufacture.

7. The Collector of Salt Revenue may, at any time of his own motion under sanction previously obtained from the Commissioner, apply to the Collector of Land Revenue to set apart for salt manufacture any unoccupied and unassessed land which he considers suitable and likely to be required for that purpose, and on the land being set apart may either at once proceed to prepare a

scheme and dispose of the right of manufacture, or await applications, as may seem most advisable.

8. It is to be distinctly understood that the right to manufacture salt conferred by the Collector of Salt Revenue under the foregoing rules, whether for a term of years or otherwise, will be distinct from the occupancy and includes no proprietary right. On the determination of the right to manufacture, whether by expiry, forfeiture or otherwise, the possession of the ground and of any works constructed on it reverts to Government absolutely.

9. (1) When the application relates to occupied land, the Collector of Salt Revenue, if he considers that manufacture may be allowed, shall inform the applicant of the terms upon which permission will be given, and refer him to the Collector of Land Revenue. On the receipt of an intimation that no objection to such appropriation exists on the part of the Land Revenue Department, the Collector of Salt Revenue shall, in consultation with the Collector of Land Revenue, consider on which of the alternative conditions mentioned in Rule 7 (C)* of the Bombay Land Revenue Code Rules the permission to appropriate and the license to manufacture should be granted, and shall submit the result of such consideration to the Commissioner of Customs, Salt, Opium and Abkári.

*Printed at pages 10-11 of the Compilation of General Rules.

(2) If under instructions received from the Commissioner it is decided that the occupancy should be relinquished and that a lease shall be granted in its stead, the Collector of Salt Revenue shall prepare a scheme under Rule 4 of these rules. In any other case the terms on which the license to manufacture salt shall be granted shall be such as may from time to time be prescribed. All decisions under this rule shall, before the application is finally disposed of, be communicated to the applicant, who, if the license to manufacture salt is granted, will be bound by all the conditions so decided on. (G. N. No. 1733 B., dated 5th March 1890.)

2. The following form of license for the manufacture of salt is for use in the case of all licensees who have not established by sanad, under Section 21† of the Bombay Salt Act, 1873, a special and permanent right to manufacture salt. In the case of the excepted licensees, clauses 5 and 6 of the license should be omitted, because the rights referred to in those two clauses would depend upon their sanads :—

†*Vide* Section 16 of Act II of 1890.

I, , Collector of Salt Revenue, do hereby authorize and empower now dwelling at in the táluka of in the district of to manufacture salt at called situate at the village of in the táluka of and in the district of within the belowmentioned limits, viz., an area comprising bounded on the north by on the south by on the east by and on

B 1955 - 4 SA

the west by provided that he conform to the following conditions which have been prescribed by His Excellency the Governor in Council in this behalf, and to all or any other such conditions which may hereafter be prescribed by His Excellency the Governor in Council in amendment of, or in addition to, the said conditions hereinafter set forth, *viz.* : —

(1) That he shall make his own arrangements to acquire possession of the ground on which he is hereby permitted to manufacture salt, if the said ground is not already in his possession, and if salt is to be manufactured on the said ground for the first time, he shall complete all preliminary arrangements, in time to commence the manufacture of salt within two years from the date of this license, failing which this license will be recalled.

(2) That he shall not make any alteration in the disposition (as it exists, if the land is already under salt manufacture, or as it may be finally settled before commencement of manufacture) of the land within the aforesaid limits by forming new pans, or enlarging or altering existing pans, or in any other manner without first obtaining the written permission of myself or of my successor in office for the time being.

(3) That he shall pay on demand such sum as may at any time be determined by myself or by my successor in office at the time being on account (1) of the expenses of any survey that may be ordered by me, or by my successor in office for the time being, of the land within the aforesaid limits, and (2) of preparing maps thereof.

(4) That he shall not use the land within the aforesaid limits for any purpose unconnected with the manufacture and storage of salt.

(5) That he shall not without the written permission of myself or of my successor in office for the time being, sublet, sell, mortgage or otherwise alienate, wholly or in part, the privilege granted by this license of manufacturing salt on the land within the aforesaid limits.

(6) That if the whole or any portion of the land within the limits aforesaid is taken up for a public purpose as defined in Act X*. of 1870, the licensee shall not have any claim to compensation for the consequent deprivation of liberty to manufacture salt on the land so taken up.

*Repealed by Act I of 1894.

(7) That he shall pay ground-rent at the rate of or such other rate as may from time to time be fixed by me, or my successor in office for the time being, under the orders of Government.

(8) That he shall produce this license whenever called upon by an officer of the Salt Department.

(9) That he shall observe all the provisions of (Bombay Act VII of 1873)† and of any other enactment relating to the salt revenue at the time in force and of any rules or orders duly made and promulgated, or communicated to him by competent authority under the said Act or any other such enactment as aforesaid relating to the manufacture, storage, removal or sale of salt or to the conservancy or regulation of the land within the limits aforesaid.

† Now Act II of 1890.

(10) That in this license the word "licensee" shall be deemed to include the licensee, his heirs, executors and administrators.

(*Additional condition to be inserted only when the licensee is lessee of Government salt pans.*)

(11) That he shall act in all respects in conformity with the terms of the agreement executed by him under date the by virtue of which he is placed in possession of the said pans.

(*Additional condition to be inserted only when the licensee has agreed to pay the cost of establishment required for guarding his work.*)

(12) That he shall pay monthly in advance Rs. on account of the cost of the establishment employed as shown in the margin for guarding his salt work and that in the event of his failing to make punctual payment of any money so payable, the amount due shall be recoverable by myself or by my successor in office at the time being by distraint and sale of any salt belonging to him, or in any other manner authorized by law.

And this license shall continue in force from the until the and no longer, but shall be liable to be revoked, suspended or withdrawn at any time by competent authority under any of the provisions of (Bombay) Act VII of 1873 or of any other enactment relating to salt revenue at the time being in force.

Given under my hand and seal at on this day of in the year

Seal. (Signed)

(L. R. No. 626, dated 16th May 1885; *vide* G. R. No. 4917, dated 16th June 1885.)

3. There is no legal necessity for requiring licensees under the Bombay Salt Act to execute counterpart agreements. It will be sufficient if each licensee is required to sign an acknowledgment for the license issued to him. (L. R. No. 626, dated 16th May 1885; *vide* G. Rs. Nos. 4917, dated 16th June, and 6339, dated 6th August 1885.)

4. It should be clearly understood that in all future cases the proprietors of new salt works will be required to pay *all* establishment charges. (G. R. No. 2972, dated 18th April 1889.)

5. While exceptional service rendered to Government may create a claim to substantial recognition by Government, such recognition should not involve injurious treatment to other persons who are competing in the same description of business. The principle of granting to particular manufacturers or traders special concessions which favour them, at the expense of the general tax-payer, in the competition with others gaining their living in the same industry is so manifestly indefensible that no lengthened argument is required to show that it ought not to be permitted. In future therefore no concession should be given as regards exemption from the payment of the cost of the establishment required for supervising and guarding salt works opened by private individuals. (G. I., F. & C., Nos. 3659, dated 17th July 1889, and 1307, dated 18th March 1890; *vide* G. R. No. 2629, dated 16th April 1890.)

6. The establishment maintained at the cost of shilotris (farmers of salt works) for guarding their salt works should be included in the sanctioned strength of the Salt Department. The Accountant

General is authorized to admit charges on account of establishments entertained from time to time at the cost of shilotris on the understanding that an annual statement showing the increase or decrease in the sanctioned strength in connection with such establishments is submitted for the information and approval of Government at the close of each financial year. The Commissioner of Salt should furnish to the Accountant General a monthly statement showing the amounts recovered and remaining to be recovered from the shilotris. (G. R. No. 3008, dated 21st April 1886.)

7. In respect of the establishments employed in guarding the salt works at the cost of the proprietors, the contributions for pension and leave allowances required under Article 854 of the Civil Service Regulations should be recovered from the proprietors in addition to the cost of the establishments. (G. R. No. 7503, dated 22nd October 1890.)

8. It is of the greatest importance to enforce the responsibility resting on licensees of salt works to prevent the removal, under permit, of salt from their salt works in excess of the quantities mentioned in the permits. The rules regulating the removal of salt should be strictly worked, and penalties should be exacted from *all* parties concerned in the removal of excess salt, especially in cases in which excesses in the number of bags removed are discovered. Leniency in the last named classes of cases will generally be out of place, as the taking into a salt work of empty bags in excess of the number allowed to be filled in is forbidden, and the full bags of each consignment have to be counted before any of them are allowed to be removed from the storage platforms. The licensee, the trader and the Sázedár are each bound to count the bags, and *accidental mistakes* are therefore impossible. (G. L. No. 82P, dated 23rd May 1891.)

VII.—TRANSPORT.

1. His Excellency the Governor in Council is pleased under Section 3, Clause (*c*), of Act No. XVI of 1879, to exempt from the operation of Section 2 of the said Act such amount of salt not exceeding half a Bengal ser for each person on board as may be carried on any vessel for consumption by her crew or by the passengers on board. (G. N. No. 66, dated 6th January 1880.)

2. The small craft employed by contractors for the supply of salt to the States of Cochin and Travancore should be specially exempted from the restriction as to tonnage prescribed by the Transport of Salt Act, 1879. (G. I., F. & C., No. 1045, dated 8th March 1881 ; *vide* G. R. No. 1649, dated 21st idem.)

3. The words 'burden of 300 tons' used in Section 2 of the Transport of Salt Act, 1879, mean the gross tonnage of a vessel and not the net tonnage.

It is a well-established rule that penal enactments are to be strictly construed. 'The effect of

the rule of strict construction,' says Maxwell, 'might almost be summed up in the remark that where an equivocal word or ambiguous sentence leaves a reasonable doubt of its meaning which the canons of interpretation fail to solve, the benefit of the doubt should be given to the subject and against the Legislature which has failed to explain itself.'

Pages 34 346, seco edition.

It is true that this rule 'yields to the paramount rule that every statute is to be expounded according to the intent of them that made it.' But the 'legislative intent,' *i.e.*, the policy and object of the Legislature, was, as appears from the statement* of objects and reasons, merely to prevent the surreptitious landing and smuggling which it was then apprehended was carried on by 'very small craft,' and the original draft of the Act shows that it was intended to apply only to small vessels. There is no reason for supposing that it was intended to apply to vessels whose burden could only be reduced below 300 tons, by applying certain technical rules of measurement established for purposes foreign to the Act. (L. R. No. 604, dated 29th May 1893; *vide* G. R. No. 4584, dated 26th June 1893.)

Maxwell 346.

*Page 18 the *B.* G for 1877, Part VI.

Abstract Legislat Proceed of the G ernor-G ral of In in Coun Vol. XV 16, and XVIII, p. 228.

VIII.—DUTY.

1. His Excellency the Governor in Council is pleased to order that on and after the first day of October 1874 no salt will be permitted to be exported by sea from any place in the Presidency of Bombay unless there shall have been paid in respect of such salt the full excise duty to which it may be liable under Act No. XXIV of 1869, or any other law for the time being in force. (G. N. dated 2nd September 1874; *vide* also G. R. No. 4575, dated 26th August 1874.)

2. In exercise of the powers conferred by Section 7 of the Indian Salt Act, 1882, and in supersession of notifications by the Government of India in the Department of Finance and Commerce, Nos. 1449, dated 10th March 1882, and 751, dated 28th April 1882, the Governor General in Council directs that on and after the date of this notification, the duty to be paid on salt manufactured in or imported by land into British India shall be as follows:—

(*a*) in the case of salt manufactured in or imported by land into Lower Burma—one rupee for each maund of $82\frac{2}{7}$ pounds avoirdupois weight, and

(*b*) in the case of salt manufactured in or imported by land into any other part of British India, except that portion of the territories administered by the Lieutenant-Governor of the Punjab which lies west of the river Indus, two rupees eight annas for each maund of $82\frac{2}{7}$ pounds avoirdupois weight.

(G. I., F. & C., Notn. No. 343, dated 19th January 1888; *vide* G. N. No. 423, of the same date.)

B 1955—5 SA

3. In exercise of the powers conferred by Section 7 of the Indian Salt Act, XII of 1882, and in modification of the notifications by the Government of India in the Department of Finance and Commerce, Nos. 2469, dated 3rd August 1883, and 343, dated 19th January 1888, the Governor General in Council is pleased to make the following rule :—

On and after the first day of March 1891, the duty to be paid on salt manufactured in Aden shall be one rupee per 140 pounds avoirdupois.

(G. I., F. & C., Notn. No. 823, dated 25th February 1891; *vide* G. N. No. 1667, dated 4th March 1891.)

4. As regards salt used for packing hams, bacon and other salted provisions imported by sea, except where the salt is declared by the appraiser to be in trifling quantity and unmerchantable, in which case it need not be noticed by the Custom House, duty should be taken on the declared quantity verified by the appraiser, and a special pass should be given to the importer for the protection of the salt. In case the importer objects to pay duty, the salt should be destroyed in the presence of Customs officers.

The duty levied at the time of importation may be refunded on production of the salt before any Treasury officer (for destruction) together with the certificate of payment of duty. (G. I., F. & C., No. 46-S., dated 20th February 1883; *vide* G. Rs. Nos. 2031, dated 10th March 1883, and 1908, dated 1st March 1884.)

5. As regards the question as to the rate of duty to be paid on salt in cases in which payment has been made before an altered rate of duty comes into operation, the general rule seems clear, and whatever difficulty there may be lies in its application to the circumstances of each case. If payment of duty has been made in respect of a particular quantity of salt, the purchaser is not liable to pay enhanced duty if the duty be enhanced, or to a refund if the duty be reduced before the salt is actually removed. But if all that has happened has been that a certain sum of money has been paid to the salt authorities as a deposit against which the person making the payment is entitled to draw by making applications for the removal of salt, then that person is liable to pay duty at the rate for the time being in force, whether enhanced or reduced, on all salt to which a part of the sum deposited has not been appropriated before the enhancement or reduction. The date of payment and not the date of application is the test, in all cases in which the payment has been appropriated to a particular quantity of salt. (Adv. Gen. Nos. 9, dated 20th February 1888, and 37, dated 25th June 1888; *vide* G. M. No. 2262, dated 13th April 1888, and G. R. No. 4512, dated 9th July 1888.)

6. Credit for excise duty and other Government charges payable on salt to be removed from

salt works or depôts in the Bombay Presidency is allowed under the following rules :—

(1) Persons desirous of availing themselves of the concession must execute agreements in the form appended to these rules, and must also fully endorse and deposit with the Collector of Salt Revenue, Government Promissory Notes, Treasury Loan Acknowledgments, Treasury Bills, Bombay Port Trust Bonds, or Bombay Municipal Debentures as security for the due performance of such agreements. Each agreement must be written on stamped paper of the value of eight annas.

(2) The depositor will be entitled to receive salt to the amount of credit given to him as shown in the Collector's receipt for his deposit. The credit will be fixed according to the market value of the securities, a deduction at the discretion, of the Collector being made therefrom to meet the contingency of depreciation in the value of the securities during the currency of the credit.

(3) No agreement will ordinarily be made or account opened for a less sum than Rs. 2,000, nor shall the credit extend beyond 60 days; except in the case of salt exported to Calcutta, in which case 90 days' credit will be allowed. At the close of the prescribed period, the depositor must adjust his account, and it will be then open to him to apply for a new credit.

(4) The securities will be lodged in the Bank of Bombay. The interest accruing on them during the time they remain deposited with the Collector will be drawn by the Collector of Salt Revenue, and passed to the credit of the depositor's account current kept by the Collector as hereinafter provided.

(5) The Collector will grant a receipt for the securities deposited with him, and this receipt must be produced and given up when the depositor redeems his securities or closes his account. The amount of credit given will also be shown in the receipt.

(6) If so desired by the depositor, an account current between him and Government will be kept by the Collector of Salt Revenue at his office in Bombay, and will be open to the inspection of the depositor or his duly authorized agent on week days during office hours.

(7) It will be optional with a depositor to close his account at any time previous to the expiration of the term of credit by paying the amount shown to be due by him, and thereupon to receive back his securities.

(8) The depositor must apply in writing to the Collector of Salt Revenue for salt, stating the quantity he requires, and the salt work or depôt from which he proposes to remove it. If the Collector agrees to comply with the requisition, the Chief Account Officer will furnish the depositor with a delivery order on the proper officer, and

enter the amount of excise duty and Government charges leviable and payable on such salt to the depositor's debit in the account current.

(9) At the expiration of the term of credit, the depositor must pay the balance then due from him on his account current for all the salt removed by him on credit. Should he fail to do so, he must pay interest on such balance, from the date on which the credit commenced to run, at the rate of 12 per cent. per annum, and the Collector may proceed to realize the amount due for principal and interest by the sale of the depositor's securities. Any surplus accruing on such sales will be paid to the depositor. Any loss which may be sustained in the event of the depositor's securities not realizing the sum due by him for principal and interest shall be forthwith paid by the depositor.

(10) Payments are to be made for the present at the office of the Collector of Salt Revenue in Bombay. If any depositor should prefer to make payments into a Government Treasury in the Mofussil, special application may be made to the Collector of Salt Revenue.

(11) Depositors must conform to the authorized rules at each salt work or depôt.

Form of bond for the removal of salt on credit.

An agreement made the day of one thousand eight hundred and Between the Secretary of State for India in Council, of the one part, and of the other part.

The said having fully endorsed and deposited with the Collector of Salt Revenue, Bombay, for the time being, the securities hereinafter mentioned, that is to say,

for securing the payment by him the said his executors, administrators, or personal representatives to the said Secretary of State, his successors or assigns, of all money which shall at any time or times become due, or owing from the said his executors, administrators, or personal representatives to the Government of Bombay on account of Government dues and other charges on salt removed from on credit under the rules regulating such credit (a copy whereof is hereunto annexed), or which shall at any time or times be at the debit of the said in his account current with the said Government in respect of such removals of salt on credit, it is hereby agreed between the said parties hereto, the said Secretary of State agreeing for himself, his successors, and assigns, and the said for himself, his executors, administrators, and personal representatives that the said securities so deposited as aforesaid, shall be subject and liable to all the provisions of the said rules and to such sale and appropriation of proceeds as therein provided. Further, that the interest which shall accrue due on the said securities while they remain in deposit with the Collector of Salt Revenue for the time being shall be drawn by such Collector and credited in such account current as aforesaid. And lastly, that each of the said parties hereto shall and will adhere to the said rules, and shall and will be bound thereby and by every stipulation and provision therein contained. In witness whereof Esquire, Collector of Salt Revenue, has, by order of the Governor of Bombay in Coun-

cil, set his hand and his seal of his office hereto for and on behalf of the said Secretary of State, and the said has hereunto set his hand the day and year first above written.

Seal of the Collector of Salt Revenue.

Signed by the said
In the presence of
Signed by the said
In the presence of

(G. Rs. Nos. 6162, dated 24th November 1874, and 4893, dated 18th July 1891.)

7. The system which has obtained in Bombay since 1874 of giving credits to wholesale traders for duty and other charges payable on salt which they remove from the salt works and depôts on their depositing with the Collector blank-endorsed Government securities, if it is properly and freely worked, gives the trade advantages which are nearly if not quite equal to those which it would derive from the system of export under bond. The Governor General in Council will therefore not press for the introduction of the system of permitting export under bond on the understanding that the credit system is freely and liberally worked. (G. I., F. & C., Nos. 923, dated 14th February 1882, and 2718, dated 28th July 1882; *vide* G. Rs. Nos. 1484, dated 6th March 1882, and 5423, dated 12th August 1882.)

8. It is not desirable that any general extension of the credit system should be allowed. The object for which the system was introduced in this Presidency was to give the first hand dealers time to take salt from the salt works to its destination and to dispose of it there before they were called upon to pay the excise duty thereon. The period now allowed—*viz.* ninety days in the case of exports to Calcutta and sixty days in the case of exports to other places—is amply sufficient for this purpose in the large majority of cases, and it is certainly undesirable to postpone the realization of salt duty, or any other item of revenue, longer than is necessary. The maximum period of credit now in force should not be altered without the previous sanction of Government, but *in special cases* the Collector of Salt Revenue should be allowed discretion to extend, with the approval of the Commissioner, credits beyond the period for which they were originally granted. The limit of credit is for the present fixed at Rs. 2,000 subject to reconsideration after further experience. It should be noted that credit transactions are troublesome in many ways and need careful handling by both the head-quarter office and the sarkárkúns in charge of salt tálukas, and it is not advisable to multiply them in a rash or hasty manner. (G. R. No. 8597, dated 3rd December 1890.)

9. A wastage allowance of 5 per cent. on shipments of salt in square-rigged vessels from Bombay and Karáchi to Calcutta may be granted on the following conditions:—

B 1955—6 SA

Full duty should be levied on the salt as it leaves the works, and after the shipment is completed a 5 per cent. drawback be allowed the shipper. From this drawback should be deducted the duty on any difference that may be apparent between the quantity removed from the works and the quantity shipped. The quantity of salt for which permit was granted and the quantity on which drawback was allowed should be endorsed on the manifest. On the arrival of the cargo at Calcutta the difference, if any, between the Bengal and Bombay duties should be levied on the quantity for which permit was granted *minus* the 5 per cent. wastage allowance, and full Bengal duty should be levied on all salt landed in excess of that quantity.

It should be clearly specified in the ship's manifest that she left Bombay (*a*) with so many maunds of salt on which the Bombay rate of duty has been levied, and (*b*) with so many maunds on which no duty has been paid, drawback having been allowed on that quantity; calculation of these figures being sent by post to the Collector of Customs, Calcutta, as soon as each ship clears out of Bombay for Calcutta.

These rules apply to salt shipped in bags as well as to salt shipped loose. (G. Rs. Nos. 3256, dated 9th June 1875, 3449, dated 1st July 1879, and 7990, dated 21st October 1889: and G. I., R. A. & C., No. 196, dated 11th August 1876; *vide* G. R. No. 4930, dated 29th idem.)

10. The foregoing rules (Order No. 9) are extended to shipments of salt to Madras, Cochin, Ponani, Beypore, Calicut, Badajara, Tellichery, Cananore and Mangalore. (G. I., F. & C., No. 110, dated 9th January 1880; *vide* G. Rs. Nos. 326, dated 21st idem, and 2556, dated 15th May 1880.)

11. The Collector of Salt Revenue is not to permit salt to be removed free of duty, in lieu of quantities accidentally lost at sea after the consignments have left the preventive station. (G. R. No. 3671, dated 19th May 1893.)

12. Salt made at the Italian salt works at Aden may be allowed to be exported to Zaila free of duty. The right of Government to levy duty on the salt if and when it pleases at the rate in force in India should, however, be expressly reserved. (G. I., F. & C., No. S. R. 4344, dated 25th October 1892; *vide* G. R. No. 9011, dated 16th November 1892.)

13. The question of the issue of salt, free of duty, to be used in the manufacture of soap and alkali is becoming one of some importance, and the Governor General in Council is strongly in favour of an attempt being made to issue duty-free salt for these purposes under proper restrictions and with suitable precautions. His Excellency in Council believes that precautions which will sufficiently protect the revenue can be taken at a moderate cost. Each Local Government is accordingly empowered to make such arrange-

ments as it may deem necessary for the purpose indicated. The arrangements should be made subject to the final decision of the Government of India, to whom they should be reported. It must be understood that the manufacturer is to bear any extra cost for preventive establishments, &c., which the grant of the concession may necessitate, and that the privilege is liable to be withdrawn if experience shows that it is being abused or that the revenue is suffering. (G. I., F. & C., No. 95, dated 5th January 1883; *vide* G. R. No. 1189, dated 7th February 1884.)

IX.—RULES UNDER THE BOMBAY SALT ACT.

1. By virtue of the authority vested in him by Section 35* of Bombay Act VII of 1873, His Excellency the Governor in Council is pleased to direct that on and after the first June 1876 next the provisions of that section and of the rest of Part IV of the Act shall be deemed to be, and be in force in every place situated in British territory within the táluka of Dhandhuka of the Ahmedabad District and within a distance of ten miles from the frontier of Káthiáwár. (G. N. dated 12th January 1876; *vide* G. R. No. 266 of the same date.)

*Cf. Section 36 of Act I of 1890.

2. In exercise of the power conferred by Section 58 of the Bombay Salt Act II of 1890, and in supersession of Government Notification No. 4818†, dated 27th June 1883, the Governor in Council is pleased to make the following rules for regulating, with reference to the Shaikh Othman salt work at Aden, the matters referred to in the said section :—

†Published at page 449 of the Bombay *Government Gazette* for 1883, Part I.

(1) In these rules the words "the said salt work" mean the Shaikh Othman salt work which is situated on the foreshore to the west of the pier at Shaikh Othman, and is bounded by pillars as follows :—

Definition.

Pillar No. 1 is on the foreshore at a distance of 385 feet from the centre of the pier.

From Pillar No. 1 to Pillar No. 2 bearing 358°, distance 235 feet.

From Pillar No. 2 to Pillar No. 3 bearing 297°, distance 2,070 feet.

From Pillar No. 3 to Pillar No. 4 bearing 287°, distance 1,959 feet.

From Pillar No. 4 to Pillar No. 5 bearing 271°, distance 1,315 feet.

From Pillar No. 5 to Pillar No. 6 bearing 200°, distance 355 feet.

(2) No salt manufacturer or other person shall approach, enter or leave the said salt work except at the chauki near Pillar No. 2.

(3) Except with the written permission of the Collector of Salt Revenue no person shall remain within the limits of the said salt work at any time during the hours between 6 P.M. and 6 A.M.

(4) Salt manufactured at the said salt work

shall be cleared and deposited by the manufacturers in heaps at the head of the pans in which it has been manufactured, and no salt shall be removed from any such heap until the proper excise duty has been paid and a permit obtained for its removal.

(5) The officer of the Abkári and Salt Departments in charge of the said salt work shall himself weigh or cause to be weighed out under his supervision the quantity of salt mentioned in any order or permit presented to him under Section 32 or Section 33.

(6) Salt intended to be conveyed to Khor Maksár, Shaikh Othman, Imad, Bir Jabir, Hiswa or beyond British territory by land shall pass the preventive station at Police Station No. 2 at Shaikh Othman.

Salt intended to be conveyed to the Fortress of Aden by sea for local consumption or for export by sea to other ports shall pass the preventive station on the pier at Maala.

(7) Salt intended to be conveyed into the Fortress of Aden by land shall pass the preventive Station at Barrier Gate.

(8) Whoever infringes Nos. 2, 3, 4, 6 and 7 of the foregoing rules shall for every such infringement be liable to fine which may extend to fifty rupees and in default of payment of the fine to imprisonment of either description which may extend to one month.

(G. N. No. 2096A, dated 23rd March 1891.)

3. In exercise of the powers conferred by Sections 37, 52, 58 and 59 of the Bombay Salt Act, 1890, the Governor in Council is pleased to make the following rules and to direct that on and after the 15th November 1893 the same shall have force in supersession of all existing rules on the same subjects respectively :—

Preliminary.

Short title.

(1) These rules may be cited as the Bombay Salt Rules, 1893.

Deposit and Storage of Salt at Salt Works.

Period for which salt allowed to lie by salt pans.

(1*A*.) No person shall allow any salt which is under his control to lie unheaped for more than 10 days or for a period longer than that allowed under any general or special order communicated to him as made by the Collector of Salt Revenue in this behalf.

Sifting and spreading out to dry prohibited except in certain cases.

(2) Except before first storage in heaps at a salt work or after removal to a distance of at least one mile beyond a preventive station, no person shall sift or spread out any salt to dry except with the special sanction of the Commissioner.

(3) Before first storage no person shall sift salt or spread it out to dry except in places appointed by the Sarkárkún for that purpose.

And in places appointed by the Sarkárkún.

(4) The licensee shall be bound to store the salt produced in or during each manufacturing season separately from the salt produced in or during every other manufacturing season, unless specially permitted by the Sarkárkún to do otherwise.

Separate storage for the salt of each season.

(5) No person shall construct or cause or allow to be constructed any storage platform or salt heap in any shape or of any size or in any situation other than such as may be in accordance with the general or special orders of the Collector of Salt Revenue for the time being in force and applicable in that behalf.

Storage platforms.

(6) When a heap of salt has been broken open to satisfy a permit, the licensee shall not, except with the written permission of the Sarkárkún, allow any other heap in the same salt work to be resorted to for the same permit until the heap first opened has been disposed of and cleared away.

No second salt heap to be opened till heap previously opened is exhausted.

(7) No person shall open or cause or allow to be opened any salt heap which he has been directed by the Sarkárkún not to open. The licensee shall close in such manner as the Sarkárkún may direct any salt heap which has been opened.

Limit to opening of salt heaps.

(8) No person shall add to, or remove from, or cause or allow additions or removals to be made to or from, any salt in a heap that has been partly made and not completed, if loss by smuggling, rain, flood, or any exceptional accident has occurred thereto, or if the Sazedár, on the ground of such loss having occurred, prohibits such addition or removal, unless and until such heap has been inspected by the Sarkárkún or some officer deputed by him.

Salt not to be added to or removed from an incomplete heap in certain cases.

(9) No person shall at any time add any salt to, or cause or allow any salt to be added to, a heap after it has been once made and completed.

Salt not to be added to a complete heap.

Deposit of Salt.

(10) No person shall deposit or cause or allow to be deposited at any salt work in the Kánara District any salt within 200 yards of any kothár or building used or intended to be used for the storage of salt on which excise duty has not been paid excepting on ground allotted for the purpose by the Sárkarkún; and

Salt not to be deposited or allowed to remain near kothárs without permission.

B 1955—7 BA

any person depositing salt on any such ground shall be bound to at once remove it if so ordered by the Sarkárkún.

Removal of Salt.

Salt to be removed in marked bags.

(11) Except as is hereinafter in this rule otherwise provided, no one shall remove salt from a salt work otherwise than in bags legibly marked with consecutive numbers and with the initials or other distinguishing mark of the person on whose account the salt is removed: Provided that this rule shall not apply to removals of salt from Government salt works at Khárághoda to the stores or from the works at Sanikatta to the kothárs, or to salt removed under the special orders of the Collector or by Wanjáris.

Conservancy of Salt Works.

Nuisances prohibited.

(12) No person shall commit a nuisance within the limits of any salt work.

Warehousing of Salt for Sale.

Forms of licenses.

(13) Licenses, granted by the Collector under Section 37 of the Act for the storage or possession of salt for sale within any of the limits mentioned in Section 36 of the Act, shall be either for the wholesale or for the retail sale of salt and shall be in the form annexed to these rules and contain the conditions specified in the said form. The said conditions shall be deemed to be and shall have the same force as rules framed by the Governor in Council under Section 37 (1) of the Act.

Licenses when to be taken out and when to expire.

(14) Every license shall be taken out not later than the 1st of January in each year and shall be in force until the 31st December next following and no longer.

Renewal may be refused.

(15) The Collector may cancel or refuse to renew a license without assigning any reasons therefor.

Separate license for each shop or warehouse.

(16) If a licensee desires to open, for purposes of sale, more than one shop or warehouse, he must obtain a separate license for each such shop or warehouse.

Certain conditions to which such licenses shall be subject.

(17) Every such license shall be liable to suspension or revocation, at any time, on breach, by the licensee or any of his servants, of any of the conditions thereof or of any provisions of the Act.

Disposal and destruction of things seized.

Destruction of confiscated salt-earth.

(18) Confiscated salt-earth shall be destroyed.

Disposal of perishable goods confiscated.

(19) At any time after the seizure of goods under the Act, it shall be lawful for an officer not lower in rank than a Sarkárkún to direct that any such goods which appear to him to be subject to natural and speedy decay, shall be sold by public auction at once or, if unsaleable, that they shall be destroyed.

Keep of animal seized.

(20) Any officer of a class not lower in rank than Sarkárkún's or Inspectors may give the directions specified in Section 52 (*b*) in any case in which such directions may be given under the provisions thereof.

Surplus proceeds of sales how to be disposed of.

(21) The surplus proceeds of all sales under Rules 19 and 20 shall, unless the owner of the property sold establishes his claim to them within three months of the sale, be forfeited to Her Majesty.

Penalties.

For a breach of Rules 1 *A*, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 or any condition of a license granted under Rule 13.

(22) Whoever commits a breach of any of the Rules 1*A*, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 or of any condition of a license granted in accordance with Rule 13, shall be punished with fine which may extend to rupees fifty, and in default of payment of fine, with simple imprisonment for a term which may extend to one month.

For a breach of Rule 12.

(23) Whoever commits a breach of Rule 12 shall be punished with fine which may extend to rupees twenty, and in default of payment of the fine, with simple imprisonment for a term which may extend to ten days.

Form of License for the Storage and Possession of the Salt (*vide Rule 13.*)

I, Collector of Salt Revenue, do hereby authorize and empower now dwelling at , in the táluka of , in the district of , to store or have in his possession salt for the purpose of sale in the below-mentioned building (or enclosure or premises as the case may be) situated in the village of in the táluka of , in the district of *viz.*, in the building (enclosure or premises as the case may be) known as and situated on the side of street and numbered No. by the Municipality of provided that he conform to the following conditions, *viz.* :

(1) That he keep and have ready for inspection at any time by any officer of the Salt Department, requiring to see the same, a detailed daily

account showing truly the quantities of salt received by him, the name of the persons from whom, and of the salt works at which such salt has been obtained, the No. and date of the permit covering the same and the names of the ports, if any, at which such salt is landed, as well as the names of the persons to whom he may sell salt and the quantity delivered to each.

(2) That he furnish on the first of every month to the Sarkárkún at an abstract account in such form as may from time to time be required of him, showing the gross quantities of salt received and sold by him during the previous month and the balance in store at the end of the same.

(3) That he shall not sell more than 40 seers of 80 tolas each of salt to one and the same person, except on the production by such person of a special permit under Section 38 (2) of the Bombay Salt Act II of 1890, to retain more than that amount for his private consumption or to transport more than that amount to some place beyond the limits mentioned in Section 36 of Bombay Act II of 1890, or to some other licensed shop or warehouse within those limits, duly signed by myself, or my successor in office for the time being, or by one of my deputies or assistants.

(4) That he shall not transfer this license to any other person, nor permit salt to be sold under colour thereof by any other than himself or his servants duly approved for such purpose by the Sarkárkun at ; a list of whose names he shall from time to time, as required, furnish to the said Sarkárkun.

(5) (*For retail licenses only.*)

That he shall at no time keep in store more than 50 Indian maunds of salt or such other quantity as I or my successor in office may by special order prescribe.

(*For wholesale licenses only.*)

That he shall store all the salt in his possession in bags, each containing not less than one or more than three maunds.

(6) This license shall be in force from the day of 189 until the day of 189 and no longer, but shall be liable to be suspended or revoked at any time by myself, or one of my deputies, in the event of the infringement by the said , or by any of his servants, of any conditions thereof or of any of the provisions of the Bombay Salt Act, 1890.

Given under my hand and seal at on the day of 189 .

Collector of Salt Revenue.

(G. N. No. 7890 dated 26th October 1893.)

X.—SMUGGLING AND OTHER OFFENCES.

1. All Magistrates should bear in mind the repeatedly expressed opinion of Government that salt-smuggling is not a trivial offence to be lightly punished. Small punishments are only an incentive to break the law, besides endangering the revenue. (G. Rs. Nos. 262, dated 16th January 1875, and 6620, dated 7th November 1877.)

2. The prevention of salt-smuggling in all shapes forms part of the regular duties of the revenue and police establishments. (G. R. No. 7613, dated 26th December 1877.)

3. Attention has been attracted to the import into some provinces of untaxed foreign salt from trans-Himalayan sources. As yet the quantities imported have been insignificant, and there are no apparent probabilities of such development as to cause material injury to the revenue by the displacement of duty-paid salt. But it is desirable that the trade should be carefully watched, so that in case it displays a tendency to increase, measures for the protection of the revenue by the taxation of the imported salt may be timely adopted. All officers, therefore, concerned in the registration and record of the land trade should keep the import of salt specially in view, and make special reference to it in the Land Trade Reports of Sind. (G. I., R. A. & C., No. 8, dated 16th September 1878; *vide* G.R. No. 5061, dated 3rd October 1878.)

4. The following notification by the Political Agent, Káthiáwár, No. 44, dated 23rd December 1875 (*vide* Government Resolution, Political Department, No. 8210, dated 8th idem) shows the powers possessed by salt officers in Káthiáwár in regard to salt offences. The same powers were given to them, in regard to smuggling of opium, by Government Resolution, Political Department, No. 1591, dated 7th March 1891 (*vide* Revenue Department endorsement No. 2445, dated 8th April 1891):—

"It is hereby notified by order of the Governor in Council that all salt not duly covered by a permit, which shall be carried across the frontier line hereinafter described otherwise than by a route prescribed by the Governor in Council, and all salt spontaneously produced within and east of the said line which shall be removed without due permission, will from the date of this notice be contraband salt as defined in Bombay Act VII of 1873; and all persons concerned in passing, removing or transporting such salt, or accepting or retaining such salt, and all such salt and all vessels, animals, and conveyances used or intended to be used in transporting it, and all goods, packages and coverings in or among which it may be placed, will be liable to the penalties set forth in part VI of the said Act.

'2. All salt stored within ten miles of the said frontier line in excess of the quantity *bonâ fide* required for local consumption, shall, from the date of this notice, be contraband and liable to confiscation, together with all goods, coverings and packages among or in which it may be placed.

B 1955—8 SA

"Definition of the salt frontier line south of the frontier of Rádhanpur.

"From the Runn opposite Rádhanpur territory the line is to follow a course parallel to the coast of the Ruun, and at a distance of 3 miles therefrom, until it reaches the cart track leading from Sultánpur to Uru; from this point it will proceed straight to the westernmost masonry pillar of the Pátri-Bajána boundary; thence it will run due east until it reaches the boundary of the Viramgám Táluka opposite the village of Goria, leaving on its north the village sites of Sáukás, Salla and Upariála in the Bajána Táluka: it will thence follow the boundary between British territory and Káthiáwár until, after encircling the Dhandhuka pargana, it reaches the Gulf of Cambay at the Sundrai creek.

"The following rules of procedure have been approved by His Excellency the Governor in Council:—

"I. For the maintenance of the Preventive Line in Káthiáwár the Chiefs should be required to admit posts of officers of the Salt Department into such villages and places as the Political Agent may appoint at the instance of the Collector of Salt Revenue, and to assist the salt officers to find accommodation in such villages and places in every reasonable way.

"II. The officers of the Salt Department should be permitted to follow and apprehend smugglers in Káthiáwár, and to seize suspected salt and carriages, animals and trappings used in its conveyance, and the contents of any package in which it may be concealed. And it shall be the duty of the officers making such apprehensions and seizures to take the prisoners and property, forthwith to the Inspector to whom they are immediately subordinate, who after such preliminary inquiry as may be necessary (to be in all cases completed within 24 hours) shall forward any prisoners who appear from the information obtained to have committed any offence punishable under this notification to the proper Court, and shall release any prisoners, the evidence or reasonable ground of suspicion against whom appears insufficient to justify their transmission to a Court, submitting a report of the case for the orders of his immediate superior. Persons who may have been released from arrest under this rule by Inspectors of the Salt Department shall be liable to re-arrest and trial on application being made to the Political Officer in charge of the pránt by the Assistant Collector of Salt Revenue in charge of the Preventive Line.

"III. It shall be the duty of the States concerned to cause their officers to take part in the pursuit and seizure of smugglers, &c., to prevent the storage of salt in contravention of Rule VII and generally to assist the officers of the Salt Department. In the case of any seizure made by the Chief's officers apart from the officers of the Department, notice should be given to the head local officer of the Department to whom the salt and property seized should be made over, and opportunity should be given for such inquiry as may be necessary to ascertain whether the property seized is liable to confiscation.

"IV. The Salt Department should prosecute all persons accused of smuggling before the Local Court of the Chief or Agency. An appeal to the Political Agent, if he has jurisdiction over the Local Court against the decision of the Court, whatever it may be, will be open both to the prosecutor and to the accused.

"V. Questions of confiscation of smuggled salt, &c., will be determined by the Collector of Salt Revenue, subject to an appeal to Government.

"VI. All fines levied, and the proceeds of all confiscations adjudged shall be at the disposal of the Governor in Council for the purpose mentioned in Section 61 of Bombay Act VII of 1873.

"VII. Storing of salt in excess of quantities required for local consumption in villages within 10 miles of the Preventive Line is prohibited as in itself evidence of an intent to smuggle. Officers of the Salt Department may visit Káthiáwár villages for the purpose of ascertaining whether any contravention of this prohibition has taken place and will then be entitled to respect and assistance. Should it appear to an officer of the Salt Department of not lower rank than an Assistant Inspector that salt is so stored, the village pátel and all superior authorities in the State shall, on the request of such officer, be bound to make effectual search for such salt and to record the result of such search in a report written at the time and signed by all officials of the State who are present. If such salt is found, they shall detain it for adjudication by the Political Officer within whose charge the place where the salt is found may be, who shall, if he considers that the salt found is in excess of the quantity *bonâ fide* required for local consumption, pass an order for its summary confiscation, together with all goods, packages or coverings in or among which it may be placed."

5. In continuation of the foregoing Notification No. 44, dated 23rd December 1875, the following Notification No. 32, dated 15th July 1884, regarding the arrangements for the storage and distribution of salt in Káthiáwar along the British Frontier was published by the Political Agent, Káthiáwár, under the authority of Government, at page 194 of the *Kathiáwár Agency Gazette* for 1884:—

"1. Within the 10-mile belt referred to in para. 2 of Notification No. 44 of 1875, there shall only be maintained the depôts noted in the schedule attached.

"2. In the depôts, exclusive of such as are at salt sources or works, the quantity of salt stored is to be regulated by the population as ascertained by the last census of the villages supplied from it, the average consumption per head being calculated at 12 lbs.

"3. During the rainy season, *i.e.*, from 1st June to 1st October, salt sufficient for 4 months' consumption only may be stored in the salt depôts; at other seasons the amount stored is not to exceed what is sufficient for 2 months' consumption.

"4. As far as is found feasible, a licensed vendor shall be established in each village who is to obtain salt on permit from the depôt which supplies his village. Any licensed vendor obtaining salt from elsewhere to be liable to punishment in the spirit of Bombay Act VII of 1873. Where there is no licensed vendor, villages may be supplied by licensed hawkers according to the existing practice.

"5. Any person carrying salt for sale or for purposes other than personal consumption not covered by a permit shall be liable to punishment in the spirit of Section 51 of the Act above referred to.

"6. In all places where salt naturally forms, only so much as is required for *bonâ fide* consumption in Káthiáwár may be collected and stored. All salt in excess of this amount or not required for storage as being of inferior quality, to be destroyed.

"7. The responsibility of carrying out the above rules rests, in States enjoying recognized jurisdiction, on the Darbárs of those States, and in Thána circles on the Government officials in charge of that Thaná. All breaches of these rules to be punished in the spirit of the Bombay Salt Act.

"8. Any breach or neglect of these rules should be considered to be a breach or neglect of the provisions of Noti-

fication No. 44 of 1875 and action should be taken in such cases as prescribed in Article VII of the said Notification.

"*Schedule.*

"Bajána, Vithalgad, Talsána, Jámbu, Ralol, Balol, Kamálpur, Nágnes, Károl, Limbdi, Chuda, Sudámra, Dhándhalpur, Páliyád."

XI.—REWARDS.

1. The following Rules for regulating the grant of rewards to informers and seizers of contraband salt in the Bombay Presidency are published for general information:—

(1).—The Collector of Salt Revenue when ordering the confiscation of any property under the authority vested in him by the Salt Act may grant, in such proportions as he may think fit, to any person or persons who have contributed to the seizure of the property or the conviction of the offender, a reward not exceeding Rupees 3 per maund of salt confiscated, *plus* the estimated value of any other articles confiscated in the case *plus* the amount of any fine imposed.

(2).—In any case in which, in the opinion of the Collector of Salt Revenue, any person has performed any service of special merit in respect of the prevention or detection of salt smuggling, or of any offence against the salt laws, the Collector may grant to such person a reward not exceeding in amount Rs. 50.

(3).—The Collector of Salt Revenue or an Assistant Collector of Salt Revenue with the sanction of the Collector may incur at his discretion, expenditure not exceeding Rs. 100 in each case for the employment of informers, or for other purposes connected with the prevention or detection of salt smuggling, or of any offence against the laws relating to Salt.

(G. N. No. 1658 dated 1st April 1878.)

2. The following Rules for the grant of rewards to persons giving information of offences against the provisions of the Inland Customs Act, 1875, apply to all branches of the Sind Salt Department and to all its servants of and below the rank of Inspector or Superintendent:—

(1) Rewards shall be payable only to the persons concerned in the transactions out of which they may arise. All persons, whether servants of Government of whatever Department or private individuals, shall be entitled to participate.

(2) There shall be five kinds of rewards, *viz.*:—

(*1*) Sale-proceeds of confiscated salt or saltpetre and of all the articles seized and confiscated along with them.

(*2*) Additional duty on salt levied as a penalty under Rule 32 of the Rules of the Governor General in Council, dated the 7th August 1878, or under any rules sanctioned by the Governor General in Council under Section 15 of the Inland Customs Act of 1875.

(3) Halves of fines imposed by Magistrates whether with or without imprisonment.

(4) Special, in cases when the sentence passed does not include a fine.

(5) Special, not exceeding Rs. 100, for display of bravery and tact in effecting the seizure of smuggled goods or arresting offenders against the Inland Customs Act.

(3) Payments of the sum available for rewards shall be made in the following proportions, *viz*:

(*a*) To the informer or informers, if any, one-half the entire sum;

(*b*) To the Inspector or Assistant Inspector or other officer of the Sind Salt Department in charge of the beat, if present at or actually co-operating in (although not present at the moment of) the seizure, one-fourth the entire sum.

(*c*) To other servants of Government of whatever Department, present at or actually co-operating in the seizure, the remainder in proportion to their salaries.

(*d*) If there is no informer, one-half shall be paid to the officer of the Sind Salt Department in charge of the beat, if he be either present at or actually co-operating in the seizure, and the other half to the other persons present at or actually co-operating in the seizure.

(*e*) If there is no informer, and the officer of the Sind Salt Department in charge of the beat is not entitled under clause (*d*), the whole sum disposable for reward shall be paid to the persons present at or actually co-operating in the seizure.

(*f*) Servants of Government in other than the Salt Department, or private individuals, who may seize persons or goods under the Inland Customs Act without the co-operation of officers or men of the Sind Salt Department, shall receive half the sum disposable for reward and the other half shall be credited to Government.

(4) Officers and men are said to be actually co-operating in a seizure when they belong to the party organized to make it, and are at the time of the seizure, although not present when it is effected, actively engaged in watching and patrolling other localities to prevent the escape of the smugglers or in passing from one detachment of the party to another to secure the vigilance of all.

(5) Officers or men of the Sind Salt Department simply taking over persons or goods seized by others cannot be held to merit a reward, and, as a general rule, they will receive no reward in such cases. An exception will be made if it be shown that any officers or men of the Sind Salt Department did anything (beyond merely taking over from the seizer the persons or goods seized) which contributed to bring about the seizure. In such a case a special report would be necessary.

(6) Whenever it may be ordered by competent authority that salt which is seized and confiscated is to be destroyed, the Commissioner may make a grant at Rs. 2-8-0 per maund of salt so destroyed to be distributed as rewards.

(7) Confiscated salt (fit for human consumption) or saltpetre or the carriage or other articles seized and confiscated along with the salt or saltpetre may be sold by public auction—the salt at a price not less than the Government duty, and the rest for what they will fetch; but the officer conducting the sale will be held personally responsible that sales are not effected at prices manifestly below the real local value of the articles sold.

(8) Confiscation proceeds and additional duty shall be held in deposit to admit of appeal to the Commissioner for one month after date of final orders awarding the penalty.

(9) Rewards accruing under Clauses 3 and 4 of Rule III shall be payable in the month following that in which the Magistrate's order intimating conviction of the smugglers is received.

(10) Rewards payable under Clause 4, Rule III, shall be at the rate of 8 annas for each day's imprisonment awarded to each offender. Provided always that such reward shall not exceed fifty rupees for any one prisoner or Rs. 200 for any one case.

(11) Payment of rewards to officers or men of the Sind Salt Department or to private individuals shall be made subject to the control of the Collector, or Deputy Collector of the District, when possible by the Deputy Collector in person, but otherwise through the Salt Inspector or Superintendent.

Sums payable to subordinates of other Departments shall be forwarded by the Collector to the Heads of such Departments.

The Collector or Superintendent of a District may withhold and credit to Government a part or the whole of the amount disposable for rewards in any instance in which a reward has not in his opinion been fairly earned. (G. R. No. 1085, dated 21st February 1881.)

3. The following rules for regulating the grant of rewards for the detection and prevention of offences against the Transport of Salt Act, 1879, in the Bombay Presidency including Sind are published for general information :—

(1) The authority adjudging a confiscation under Section 6 of the Transport of Salt Act shall have the power to grant, in such proportion as he may think fit, to any person or persons who may have contributed to the seizure of the property confiscated or the conviction of the party or parties offending, rewards not exceeding in the aggregate the estimated value of the property confiscated *plus* the amount of any fine imposed.

(2) In any case in which, in the opinion of the authority referred to in Rule 1, any person has performed any service of special merit in connexion with the prevention or detection of any offence under the Transport of Salt Act, he shall have power to grant to such person a reward not exceeding Rs. 50 (fifty) which may be in addition to or in lieu of any reward which may or might have been granted under Rule I.

(G. N. No. 5408A, dated 28th July 1886.)

XII.—ACCOUNTS.

1. The accounts of the Salt Department should be kept in Kánara in Maráthi instead of in Kánarese. (G. R. No. 958, dated 21st February 1874.)

2. The following rules have been laid down for the guidance of Treasury Officers in receiving and accounting for cash paid into their Treasuries by salt traders on account of the Salt Department:—

(1) When it is desired that payments on account of the Salt Department should be received at any Government Treasury (Huzúr or District), application will be made by the Collector of Salt Revenue, or by the Assistant in charge of his Huzúr Office in Bombay, to the Collector of the district in which such Treasury may be situated, for the issue of general instructions to the Treasury Officer concerned to receive from traders and others any sums tendered by them on account of the Collector of Salt Revenue. After the issue of such instructions, but not otherwise, Treasury Officers will receive and account for any monies tendered to them for remittance or credit to the Collector of Salt Revenue.

(2) For any sum so paid the Treasury Officer will pass to the payer a receipt (in the accompanying Form A), and will simultaneously forward a copy thereof by post to the Assistant Collector of Salt Revenue in charge Head-quarter Office, Bombay. Printed forms will be supplied by the Collector of Salt Revenue on which alone receipts should be granted.

(3) The Treasury Officer will credit in his accounts the amounts received as remittances from the Collector of Salt Revenue; and the Huzúr Treasury Officer of the district will soon after the first of each month render a general receipt (in the accompanying Form B) for all sums paid into his own or subordinate Treasuries during the previous month. These receipts should be addressed to the Assistant Collector of Salt Revenue in charge Head-quarter Office, Bombay. The transactions will then be adjusted in the office of the Collector of Salt Revenue by debiting the amount to the Treasury Officer concerned and crediting it to the proper head of account.

(4) The payer on receiving the receipt referred to in Rule 2 will either personally or by agent present it to the Assistant Collector of Salt

Revenue in charge of the Head-quarter Office in Bombay, along with an application stating the purpose to which the payment is to be applied, *i.e.* whether for the supply of salt, or for the adjustment of a deposit account for salt previously supplied on the credit system.

(5) The Assistant Collector of Salt Revenue in charge Head-quarter Office, on production of such receipt and application, and after satisfying himself of the genuineness of the former, will grant the applicant the requisite receipt to enable him to obtain the salt applied for, or will adjust his deposit account, as the case may require.

FORM A.

A	B	C
No.	No.	No.
Name of Treasury Office and Date	Name of Treasury Office and Date	Name of Treasury Office and Date
Received from the sum of Rupees (in words) to the credit of the Collector of Salt Revenue, Bombay,	Received from the sum of Rupees (in words) to the credit of the Collector of Salt Revenue, Bombay.	Received from the sum of Rupees (in words) to the credit of the Collector of Salt Revenue, Bombay.
Rs. Signed *A. B.*, Treasury Officer.	Rs. Signed *A. B.*, Treasury Officer.	Rs. Signed *A. B.*, Treasury Officer.

Note.—These receipts will be printed and bound in a book. A will remain in the book in the Treasury Office, B will be delivered to the payer, and C forwarded simultaneously to the Assistant Collector of Salt Revenue, in charge Head-quarter Office, Bombay.

Receipts will be supplied in different languages, English for Huzúr Treasuries, and vernacular for Mámlatdars' and other District Treasuries.

FORM B.

Treasury Office, and Date.

Received from the Collector of Salt Revenue, Bombay, through the undernamed persons, the sum of Rupees (in words) during the month of

No. of separate receipts.	Names of persons.	Amount.
1	*A.*	Rs. a. p.
2 and 4	*B.*	
3	*C.*	
5 and 6	*D.*	
	Total Rs. ...	

Signed *A. B.*

Treasury Officer.

Note.—The sum entered opposite each name will be the *aggregate* amount received during the month from the person named.

(G. R. No. 546, dated 29th January 1875.)

3. The receipt of money in payment of the duty on salt removed from the Bassein, Ghodbandar, Trombay, Panvel and Urán works for export by sea

or for inland transport by rail will not be allowed at the Treasuries at those places, and such payments must be made at the Head-quarter Office at Bombay. Discretion should however be granted to the Sarkárkúns at the places named to accept payment in exceptional cases and for very special reasons. (G. R. No. 2800, dated 1st June 1880.)

4. Salt and Customs expenditure of a kind which has to be, and is incurred every year, such as petty construction and repairs, supply of scales and weights, does not require special previous sanction before being entered in the estimates, unless the expenditure exceeds the average of the last three years, when the excess cannot be admitted without explanation. (G. I., F. & C., No. 5922, dated 30th October 1888; *vide* G. M. No. 7519, dated 12th November 1888.)

5. The Budget estimates of the Mounted Police Fund of the Salt Department should be submitted to Government in the Revenue Department in a complete form. (G. R. No. 1786, dated 15th March 1892.)

XIII.—MISCELLANEOUS.

1. *Tents*: The Collector of Salt Revenue is to be allowed a sum not exceeding Rs. 700 every sixth year for the purchase of office tents. The tent is to be bought only when absolutely necessary even after six years, and a certificate to this effect should be furnished at the time new tents are bought. (G. I., F. D., No. 611, dated 27th January 1873; *vide* G. R. No. 835, dated 13th February 1873.)

2. *Natural Salt*:—The Collector of Salt Revenue should exercise considerable liberality in the grant of permission to collect natural salt free of duty to foreign villages in the immediate proximity of natural salt deposits within the frontier line. The best method of effecting this object would be that which is understood to be already practised in some of the small States, north of Anwarpur. Each village to which the Collector grants the concession might be allowed to collect and remove, on a certain day, a certain number, according to its population, of cart-loads of salt under a written permit. (G. L. No. 6972, dated 11th December 1875.)

3. *Moach Salt*: All salt despatched from the Moach Salt Works by water should be laden into boats in the presence of an officer of the Salt Department. After a boat is laden, and before it is allowed to leave the creek, the contents should be inspected and the bags counted by the Superintendent, Moach Salt Works, who will also occasionally test a few bags.

On arrival of a boat-load of salt at the Keamari Wharf the bags should be counted by the Customs officer there and a percentage (say 5 per cent.) weighed. If correct, they should be laden into trucks; if not, the necessary report should be made to the Collector of Customs.

The Customs Inspector at Keamari should also be required to inspect salt landed at Keamari frequently

B 1955—10 SA

and to make an occasional test to see that no fraud is going on. (G. R. No. 5765, dated 28th October 1879.)

4. *Gradation Lists*: The Accountant General should submit to Government a monthly gradation list of officers in the Salt Department. (G. M. No. 3500, dated 7th July 1880.)

5. *Official Correspondence.* [*Vide* Order No. 1, Sub-head XI, under the head "Opium."]

* Repealed by Act II of 1890.

6. *Enquiries*: When an enquiry is held under Section 59 of the Salt Act,* 1873, regular proceedings in judicial form should be recorded. (G. R. No. 2211, dated 17th March 1883.)

7. *Titles*: Native officers employed in the Salt and Customs Department of the Bombay Presidency on a salary of Rs. 150 and upwards should be officially addressed as Ráo Sáheb or Khán Sáheb. (G. I., For. Dept., No. 165-I, dated 13th January 1885; *vide* G. R. No. 706, dated 24th idem.)

8. *Agencies*: No agency for the sale of salt on behalf of Government should be established at any place beyond the Presidency without the sanction of the Government of India. (G. I., F. & C., No. 6584, dated 11th December 1888; *vide* G. R. No. 8538, dated 22nd idem.)

9. In dealing with the question of the Government agencies for the sale of salt in future, the opinions expressed in the following extracts from the letter from the Government of India No. 4140, dated 4th August 1887, should be borne in mind, and the wishes of that Government should be carried out so far as may seem practicable and expedient:

"5. If the Government of Bombay should come to the conclusion that the agencies ought to be retained it will doubtless favour the Government of India with the grounds on which its opinion is based. The Governor General in Council desires in any case to urge on its consideration that the agencies, if they are to be retained, should be so worked that the condition shall approximate closely to those under which the operations of the ordinary trader are carried on. At present, a deduction of 5 per cent. on account of wastage is taken from the salt-makers for salt sold to Government in order to cover a wastage allowance made to the Agent, which allowance is refused to traders. This allowance, there is every reason to believe, is mainly a profit to the Agent; and the profit is really paid by the salt-makers and the traders. It is for the Government of Bombay to consider whether it would not be more equitable to take from the salt-maker only such an allowance for wastage as experience shows to be justified, and to make no allowance to the Agent which is not also granted to the trader. This would secure to the salt-maker a fair return for his work, and at the same time place the Government Agent on a nearly equal footing with the trader.

"6. Further, it would seem desirable that the Agent should be required, like an ordinary trader, to prepay the duty and the price of the salt he receives from Government and be left to recover his money from the consumer gradually as he reduces his stock by sales. He would still receive his commission, which would represent the profit of an ordinary trader working on his own account.

"7. If therefore the Government of Bombay is inclined to think that the time has not arrived for dispensing with the agencies altogether, I am to request that the arrangements to be made with the Agent may be reconsidered in the sense stated in the foregoing paragraphs."

(G. R. No. 8588, dated 22nd December 1888.)*

10. *Fish-curing*: It is the desire of the Government of India to see fish-curing yards established, as in Madras, at all convenient places along the coast line, where there is a reasonable prospect of active resort to them by fish-curers, and the Governor General in Council is not disposed to agree with the opinion on which the Collector of Salt Revenue based his rejection of an application to open a new yard at Málvan. It is possible that a yard at Málvan would draw off custom from Vengurla, but the abstraction of custom would prove that Málvan was a more suitable place for the industry. From this point of view it would have been better that the application should have been complied with; and if the result showed that custom fell off at Vengurla, the proper course would have been to reduce the staff at that place or to close the yard altogether.

The Government of India has also been always prepared to bear a small loss on the experimental establishment of fish-curing yards for the sake of preserving an important industry, which is heavily borne down by the salt-tax. The industry merits encouragement, and any small loss on one or two fish-curing yards should soon disappear with effective management and the extension of yards where the industry calls for them. In Madras the yards caused some loss for a time, but they now cost the State nothing.

At present the principal item of loss to Government in Bombay is on account of establishment charges, which are borne entirely by the State. It is not the desire of the Government of India that the local officers should aim at recovering the cost of establishment immediately, but irrespective of this item and the loss of duty on salt sold for fish-curing in the Vengurla yard the State at present bears the charges for freight on the salt to place of sale and wastage, which should obviously be taken into account in calculating the cost price of the salt. As this is not done, salt is now being sold for fish-curing purposes in Bombay at less than the cost price. The Government of India considers that the operations should be so conducted that there shall be no loss upon the purchase and resale of salt. (G. I., F. & C., No. 6271, dated 23rd November 1888; *vide* G. R No. 8321, dated 13th December 1888.)

11. Fish-curing yards should be put up at every place where they are likely to be fully useful. (G. I., F. & C., No. 4150-Ex., dated 25th September 1893; *vide* G. R. No. 7389, dated 10th October 1893.)

12. *Reserve Stock*: As a matter of precaution it is desirable that a reserve stock of salt equal to two years' demand should usually be maintained at

* *Vide* also Order No. 4, Sub-head IV.

the Runn Salt Works. (G. R. No. 1948, dated 16th March 1891.)

13. *Salt Price Current*: The Collector of Salt Revenue, Bombay, is authorized to subscribe to a copy of Messrs. Mullick & Co.'s Weekly Salt Price Current published at Calcutta. (G. R. No. 7451, dated 28th October 1891.)

14. *Calendars*: Maráthi calendars may be purchased for the use of the Huzúr and Táluka offices in the Salt Department, the cost being met from the contingent grant of the purchasing officers. (G. R. No. 3686, dated 27th April 1892.)

15. *Form of license for the collection or removal and possession of salt-earth under Section 11 of Act II of 1890*: —

I, , Collector of Salt Revenue, do hereby authorize and empower now dwelling at in the táluka of in the district of , to excavate, collect or remove salt-earth (1) for curing fish, (2) for manuring cocoanut palms from and remove it to on the following conditions:

(1) That the salt-earth is not removed between sunset and sunrise;

(2) That all salt-earth removed under this license shall be stored at and at no other place;

(3) That no part of the salt-earth removed under this license shall at any time be taken into any building, dwelling-house or covered enclosure;

(4) That the salt-earth removed under this license shall be used for the purpose shown above, and no other;

(5) This license will remain in force from the to the

(G. R. No. 4826, dated 9th June 1892.)